REMARKS

Claims 1-36 are pending in this application. By the Office Action, claims 1-5, 7-13, 16-21, 25-31, 33, and 35 are rejected under 35 U.S.C. §102, and claims 6, 14, 15, 22-24, 27, 28, 32, 34, and 36 are rejected under 35 U.S.C. §103. By this Amendment, claims 1, 12, 15, 16, 20, 21, 30, 33, 34, 35, and 36 are amended to further clarify the subject matter being claimed. Support for the amendments to the claims may be found, for example, on page 4, lines 13-22, of the present specification. Thus, no new matter is added by the above amendments. In view of at least the following, reconsideration and allowance are respectfully requested.

Rejection under 35 U.S.C. § 102(b)

The Office Action rejects claims, 1-5, 7-13, 16-21, 25-31, 33, and 35 under 35 U.S.C. §102(b) as being anticipated by Hutton et al. (U.S. Patent No. 4,033,059, hereinafter "Hutton"). Applicants respectfully traverse the rejection, asserting that Hutton fails to disclose all of the elements of the claimed invention.

Initially, Applicants note that the claims recite (using claim 1 as a non-limiting example):

A security device comprising a substrate having a specularly reflective surface which is provided with a raised line structure, the line structure defining a plurality of segments, each segment being formed by a respective set of substantially parallel raised lines, the lines of at least three segments extending in different directions, each line being formed by or carrying an ink which does not extend fully into the spaces between the lines or which is sufficiently translucent between the lines so as not to obscure the specularly reflective surface between the lines, wherein each segment causes incident light to be reflected non-diffractively in a variable manner as the angle of incidence changes.

For the sake of further clarifying the claimed invention, Applicants note that "specular reflection" is distinct from "diffuse reflection." "Specular reflection" is defined as an incident light beam that is reflected from the surface as a *single* beam at the same angle of reflection as

its angle of incidence, whereas "diffuse reflection" causes an incident light beam to be reflected in a diffuse manner in many directions.

The function of the claimed invention (and advantages stemming therefrom) depends upon the specularly reflective properties of the claimed substrate, recited in independent claims 1, 30, and 34. Figures 4A-4C of the present specification illustrate the appearance of the claimed security device when illuminated from three different directions, further demonstrating the aforementioned properties of the claimed security device and the claimed substrate having a specularly reflective surface. When the security device is viewed at an angle perpendicular to the surface of the security device with different directions of illumination, different groups of segments reflect the light into the observer's eye, thereby exhibiting optically variable effects relative to the incident light and the angle of view. This has the effect of simulating movement when the device is rotated, as described in the example on page 2, lines 12-16, of the present specification.

Without agreeing with or acquiescing to the rejection, Applicants note that independent claims 1, 30, and 34 have been amended to recite "a substrate having a specularly reflective surface which is provided with a raised line structure, the line structure defining a plurality of segments... wherein each segment causes incident light to be reflected non-diffractively in a variable manner as the angle of incidence changes." Thus, the region or segment between each line of ink is specularly reflective (*i.e.*, both in the valley region and on the sides of the embossed lines), as recited in independent claims 1 and 30.

In contrast, Hutton fails to disclose a substrate having a specularly reflective surface. Rather, Hutton discloses substrates that reflect in a diffusive manner, if they reflect light.

This is apparent from the description of the appearance of the devices disclosed in Hutton, when these devices are viewed at a perpendicular angle. Specifically, Hutton teaches that "[w]hen viewed in a direction normal to the imprinted surface paper 31, there is substantially

no visually detectable contrast between the image 32 and background 36..." (see Hutton, col. 13, lines 14-17). This appears to apply to all of the exemplary embodiments disclosed in Hutton.

Thus, Applicants submit that, when viewed at a perpendicular (or normal) angle, the claimed security device presents a completely different visual effect, in contrast to the device disclosed in Hutton. The devices disclosed in Hutton present a region devoid of contrast, whereas the claimed security device and the claimed method of manufacturing the claimed security device provide clearly visible segments, due to the claimed substrate having a specularly reflective surface.

As a result of the claimed combination of features of the claimed security device and method, the claimed security device is viewable over a wide range of viewing angles, compared to the conventional latent images of Hutton (as discussed on page 2, lines 12-14, of the present specification). Therefore, Hutton fails to disclose not only all of the features of the claimed invention, but also the advantages stemming therefrom. Furthermore, Applicants note that Hutton achieves the latent images as a result of different heights of the intaglio ink printed lines, as shown in the exemplary embodiment in Figure 3 of Hutton. Thus, Hutton discloses a device that is based on a completely disparate means of operation than that of the claimed invention.

Accordingly, Applicants submit that Hutton fails to disclose or even suggest the claimed security device and method of manufacturing the claimed security device, as recited in independent claims 1, 30, and 34. For at least this reason, Applicants submit that Hutton fails to disclose each and every element of the claimed invention, as required for anticipation under 35 U.S.C. § 102(b). Hutton thus does not anticipate the claimed invention.

Reconsideration and withdrawal of the rejection are respectfully requested.

Rejection under 35 U.S.C. § 103(a)

The Office Action rejects claim 6 under 35 U.S.C. §103(a) as being unpatentable over Hutton in view of Bayha (U.S. Patent No. 3,471,172, hereinafter "Bayha"); claims 14 and 15 under 35 U.S.C. §103(a) as being unpatentable over Hutton in view of Adamczyk (U.S. Patent Application Publication No. 2004/0025728, hereinafter "Adamczyk"); claims 22-24 and 32 under 35 U.S.C. §103(a) as being unpatentable over Hutton in view of Meyer et al. (U.S. Patent Application Publication No. 2003/0145747, hereinafter "Meyer"); claims 27 and 28 under 35 U.S.C. §103(a) as being unpatentable over Hutton in view of Heckenkamp et al. (U.S. Patent No. 5,433,807, hereinafter "Heckenkamp"); and claims 34 and 36 under 35 U.S.C. §103(a) as being unpatentable over Hutton. Applicants respectfully traverse the rejections.

For the reasons set forth above, Applicants submit that Hutton fails to disclose, and likewise fails to teach or suggest, all of the elements of independent claims 1, 30, and 34. Applicants submit that Bayha, Adamczyk, Meyer, and Heckenkamp fail to cure the aforementioned deficiencies of Hutton. Therefore, Applicants submit that Hutton, Bayha, Adamczyk, Meyer, and Heckenkamp (either alone or in any proper combination) fail to disclose or to have rendered obvious all of the elements of the claimed invention, as recited in claims 1, 30, and 34.

The cited references thus would not have rendered obvious the claimed invention.

Reconsideration and withdrawal of the rejections are respectfully requested.

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Conclusion

In view of the foregoing, it is respectfully submitted that this application is in condition for allowance. Favorable reconsideration and prompt allowance of this application are earnestly solicited.

Should the Examiner believe that anything further would be desirable in order to place this application in even better condition for allowance, the Examiner is invited to contact the undersigned at the telephone number set forth below.

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